

Air Quality Permitting Statement of Basis

January 4, 2005

Tier I Operating Permit No. T1-050105

Potlatch Corporation
Post Falls Particleboard
Post Falls, ID

Facility ID No. 055-00018

Prepared by:

Almer Casile, Permit Writer

AIR QUALITY DIVISION

FINAL

Table of Contents

ACRO	DNYMS, UNITS, AND CHEMICAL NOMENCLATURES	3
PUBL	IC COMMENT / AFFECTED STATES / EPA REVIEW SUMMARY	4
1.	PURPOSE	5
2.	FACILITY DESCRIPTION	5
3.	FACILITY / AREA CLASSIFICATION	5
4.	APPLICATION SCOPE	5
5.	PERMIT ANALYSIS	6
6.	PERMIT CONDITIONS	
7.	PERMIT REVIEW	8
8.	RECOMMENDATION	8
A DDE	NOIV A AIRS INFORMATION	

Acronyms, Units, and Chemical Nomenclatures

AFS AIRS Facility Subsystem

AIRS Aerometric Information Retrieval System

AQCR Air Quality Control Region

ASTM American Society for Testing and Materials

BACT Best Available Control Technology

CAA Clean Air Act

CFR Code of Federal Regulations

CO carbon monoxide

DEQ Department of Environmental Quality

dscf dry standard cubic feet

EPA U.S. Environmental Protection Agency

gr grain (1 lb = 7,000 grains)

HAPs Hazardous Air Pollutants

hp horsepower

IDAPA a numbering designation for all administrative rules in Idaho promulgated in accordance with the

Idaho Administrative Procedures Act

km kilometer

lb/hr pound per hour

m meter(s)

MACT Maximum Achievable Control Technology

MMBtu million British thermal units

NESHAP National Emission Standards for Hazardous Air Pollutants

NO_x nitrogen oxides

NSPS New Source Performance Standards

O₃ ozone

PM particulate matter

PM₁₀ particulate matter with an aerodynamic diameter less than or equal to a nominal 10 micrometers

ppm parts per million

PSD Prevention of Significant Deterioration

PTC permit to construct
PTE potential to emit

Rules Rules for the Control of Air Pollution in Idaho

SIC Standard Industrial Classification

SIP State Implementation Plan

SO₂ sulfur dioxide T/yr tons per year

μg/m³ micrograms per cubic meter

UTM Universal Transverse Mercator

VOC volatile organic compound

Public Comment / Affected States / EPA Review Summary

A 30-day public comment period for the Potlatch Corp. of Post Falls, Idaho draft Tier I operating permit was held from in accordance with IDAPA 58.01.01.364, Rules for the Control of Air Pollution in Idaho.

IDAPA 58.01.01.008.01 defines affected states as: "All states: whose air quality may be affected by the emissions of the Tier I source and that are contiguous to Idaho; or that are within 50 miles of the Tier I source."

A review of the site location information included in the permit application indicates that the facility is located with 50 miles of a state border. Therefore, the state of Washington and state of Montana was provided an opportunity to comment on the draft Tier I operating permit.

Summary of Comments

No comments were received from any affected state.

Comments were received from Rick Culpepper of the Potlatch Corporation on August 10, 2005 regarding the PTC.

A hearing was not requested.

1. PURPOSE

The purpose for this memorandum is to satisfy the requirements of IDAPA 58.01.01.200, Rules for the Control of Air Pollution in Idaho, for issuing permits to construct.

2. FACILITY DESCRIPTION

The Potlatch Post Falls facility manufactures particleboard from wood shavings and resin. Trucks deliver and dump wood shavings in one of two storage buildings. A drag chain feeds the wood shaving to milling machines, which process the wood shavings into furnish. The furnish is dried in a rotary dryer and temporarily stored the outside dry silo. Furnish from the outside dry silo and sanderdust is then passed through a weigh system to either the #1 small blender and main blender, or the #2 small blender. In the blenders, resin is mixed with the sanderdust and furnish. The mix is conveyed to a former where the mix takes the shape of a mat approximately the size of a 4'X8' particleboard panel. The mats are pressed by the particleboard press, allowed to cool, cut to size, and sanded. Scrap from the saw line is processed back into furnish. Sanderdust generated by the process is stored, used for the manufacturing process or as fuel for the facility's Kipper and Sons boiler, or sold. The Kipper and Sons boiler provides steam heat for the process and plant make-up air.

3. FACILITY / AREA CLASSIFICATION

Potlatch's Post Falls facility is defined as a major facility in accordance with IDAPA 58.01.01.008.10 for Tier I permitting purposes because the facility has the potential to emit (PTE) NO_x and VOC at over 100 T/yr. The facility is not a Prevention of Significant Deterioration (PSD) major source because emissions do not exceed the PSD threshold of 250 T/yr. The AIRS classification is "A" because potential emissions of NO_x and VOC are greater than 100 T/yr.

The facility is located within AQCR 62 and UTM zone 11. The facility is located in Kootenai County which is designated as unclassifiable for all criteria pollutants.

The AIRS information provided in Appendix A defines the classification for each regulated air pollutant at Potlatch, Post Falls. This required information is entered into the EPA AIRS database.

4. APPLICATION SCOPE

The facility's proposed project involves a modification of the facility's current Tier I operating permit No. 055-00018, issued December 10, 2002, that incorporates PTC No. P-050104, issued September 23, 2005. In accordance with IDAPA 58.01.01.209.05.b., DEQ has processed the PTC and Tier I operating permit application concurrently, and provided the Tier I operating permit and PTC P-050104 for public notice, comment, and EPA review. This process allowed to the PTC to be issued, but did not allow the source to operate until the Tier I operating permit was issued.

The PTC project involved the installation of equipment to recover sanderdust generated by the manufacturing process and to use some of it in the manufacturing process rather than use it as hog fuel. The PTC project also established federally enforceable limits on HAP emissions so that the facility is a non-major HAP source, and therefore, not subject to 40 CFR 63, Subpart DDDD.

4.1 Application Chronology

February 2, 2005 DEQ received application

March 3, 2005 DEQ determined application complete

April 21, 2005 DEQ received additional information

May 10, 2005 DEQ provided draft permit to facility for review

July 14 – August 15, 2005 DEQ provided draft permit for public comment

November 2, 2005 DEQ provided proposed permit via e-mail to EPA for review

5. PERMIT ANALYSIS

This section of the Statement of Basis describes the regulatory requirements for this operating permit.

5.1 Regulatory Review

This section describes the regulatory analysis of the applicable air quality rules with respect to this Tier I operating permit.

The facility is Tier I major facility with a current Tier I operating permit. The proposed project is significant modification of the current Tier I operating permit.

IDAPA 58.01.01.382..... Significant Permit Modification

This regulation stipulates the criteria and procedures for a significant permit modification. The proposed project is significant modification of the current Tier I operating permit that meets the criteria specified within the regulation IDAPA 58.01.01.210, Demonstration of Preconstruction Compliance with Toxic Standards.

This subpart establishes compliance options, operating requirements, and work practice requirements for hazardous air pollutants (HAP) emitted from plywood and composite wood products (PCWP) manufacturing facilities that are a major source of HAP emissions. This subpart also establishes requirements to demonstrate initial and continuous compliance with the compliance options, operating requirements, and work practice requirements for PCWP facilities that are a major source of HAP emissions. The requirements of this subpart do not apply to this facility because the facility-wide HAP emissions of the facility have been limited to below major source thresholds.

This subpart establishes emission limits and work practice standards for hazardous air pollutants (HAP) emitted from industrial, commercial, and institutional boilers and process heaters. This subpart also establishes requirements to demonstrate initial and continuous compliance with the emission limits and work practice standards. The requirements of this subpart do not apply to this facility because the facility-wide HAP emissions of the facility have been limited to below major source thresholds.

5.2 Fee Review

The Potlatch Corp. Post Falls facility is a major facility as defined in IDAPA 58.01.01.008.10 and is therefore subject to registration and registration fees in accordance with IDAPA 58.01.01.387. The facility is current with its registration fees.

6. PERMIT CONDITIONS

This section summarizes and explains the changes associated with the significant modification of this Tier I operating permit.

- 6.1 Facility-wide requirements have been updated to include updated language. The permit conditions of the emission unit formerly called Emission Unit Group 4 Wood Handling have been incorporated into Emission Unit Group 3 Wood Handling, Drying and Pressing.
- 6.2 Permit Condition 5.3 contains the visible emission requirements for the particleboard manufacturing process.
- 6.3 Permit Conditions 5.5, 5.6, 5.9, and 5.10 establish the operating, monitoring, and recordkeeping requirements necessary to demonstrate compliance with opacity limits of Permit Condition 5.3. These permit requirements, along with General Provision 2, require the permittee to operate the control equipment associated with the particleboard manufacturing process when it is operating, and assures compliance with the opacity requirements of Permit Condition 5.3.
- 6.4 Permit Condition 5.2 limits the PTE of facility-wide HAPs below major source thresholds.
- 6.5 Permit Condition 5.4 establishes the performance test requirements necessary to demonstrate compliance with Permit Condition 5.2. A performance test to measure total HAP was required in order to demonstrate compliance with the facility-wide HAP emission limit of less than 25 tons per any consecutive 12-month period (T/yr) for any combination of HAPs of Permit Condition 5.2. Performance tests to measure formaldehyde and methanol were required to demonstrate compliance with the facility-wide HAP emission limit of less than 10 tons per any consecutive 12-month period (T/yr) for any single HAP of Permit Condition 5.2. Permit Condition 5.4 shall be used to develop emission factor data necessary to demonstrate continuing compliance with Permit Condition 5.2. Permit Condition 5.6 also requires the permittee to conduct the performance test at minimum of 90% of the maximum furnish usage rate of the process in order to assure compliance with Permit Condition 5.2.
- 6.6 Permit Condition 5.4 defines total HAPs for the Permit. The definition was taken from 40 CFR 63.2292, and was included in the Permit to be consistent with 40 CFR 63, Subpart DDDD. The performance tests listed in Permit Condition 5.4 were also taken from 40 CFR 63, Subpart DDDD in order to be consistent with that subpart. No performance test were required to be performed on particle dryer because it's compliance demonstration procedures are based on formaldehyde and methanol emission factor developed from source tests at the facility. No performance tests were required to be performed on the sander air system and boiler because their compliance demonstration procedures are based on industry specific emission factors from NCASI Technical Bulletin No. 0771: Volatile Organic Compound Emissions from Wood Products Manufacturing Facilities, Part IV Particleboard, published 1999.

- 6.7 Permit Condition 5.8 requires that the permittee monitor and record monthly and annually the HAP emissions from the press vents and East & West Sawline baghouses using the emission factors and furnish usage records required by Permit Conditions 5.4 and 5.7, respectively, to demonstrate compliance with Permit Condition 5.2. Permit Condition 5.8 requires that the permittee monitor and record monthly and annually the HAP emissions from the sander air system, particle dryer, and boiler using the furnish usage records required by Permit Condition 5.7. Records of the information used to determine monthly and annually the HAP emissions shall be maintained on site for the most recent two year period and shall be made available to DEQ representatives upon request in order to demonstrate compliance with Permit Condition 5.2.
- Permit Condition 3.8 establishes a maximum pressure for boiler steam in order to limit emissions of. As taken from the July 19, 2001 technical analysis memorandum, the maximum pressure of 300 psi absolute corresponds to an actual dryer temperature of 397 deg. F, the temperature which Potlatch and DEQ has established to limit formaldehyde emissions. The citation for this permit condition has been updated to reflect the new PTC.

7. PERMIT REVIEW

7.1 Facility Review of Draft Permit

A facility draft permit was received by the facility on May 10, 2005. Comments were received and processed as requested.

7.2 Public Comment

A public comment period was conducted from July 14 to August 15, 2005. During this time, there were no comments on the proposed action on the Tier I operating permit.

8. RECOMMENDATION

Based on review of application materials and all applicable state and federal rules and regulations staff recommend that Potlatch Post Falls be issued modified Tier I Operating Permit No. T1-050105 for the sanderdust project.

AC/sd Permit No. T1-050105

G:\Air Quality\Stationary Source\SS Ltd\T1\Potlatch PF - T1-050105\Final\T1-050105 Final SB.doc

Appendix A AIRS Information T1-050105

AIRS/AFS^a FACILITY-WIDE CLASSIFICATION^b DATA ENTRY FORM

Facility Name: Potlatch Corporation
Facility Location: Post Falls
AIRS Number: 055-00018

AIR PROGRAM POLLUTANT	SIP	PSD	NSPS (Part 60)	NESHAP (Part 61)	MACT (Part 63)	SM80	TITLE V	AREA CLASSIFICATION A-Attainment U-Unclassified N- Nonattainment
SO₂	Α							U
NO _x	Α						A	U.
co	В							U
PM ₁₀	В		В					U
PT (Particulate)	В							υ
VOC	Α	-					Α	U
THAP (Total HAPs)	В							
			APPLICABLE SUBPART					
			DC					

^a Aerometric Information Retrieval System (AIRS) Facility Subsystem (AFS)

b AIRS/AFS Classification Codes:

- A = Actual or potential emissions of a pollutant are above the applicable major source threshold. For HAPs only, class "A" is applied to each pollutant which is at or above the 10 T/yr threshold, or each pollutant that is below the 10 T/yr threshold, but contributes to a plant total in excess of 25 T/yr of all HAPs.
- SM = Potential emissions fall below applicable major source thresholds if and only if the source complies with federally enforceable regulations or limitations.
- B = Actual and potential emissions below all applicable major source thresholds.
- C = Class is unknown.
- ND = Major source thresholds are not defined (e.g., radionuclides).